

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**NMOCD – ACOI 120-A**

**IN THE MATTER OF JOHN H. HENDRIX CORP.,**

**Respondent.**

**FIRST AMENDED  
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraphs 3 and 4 of inactive well agreed compliance order 120 (“ACOI 120” or “Order”), the Director of the Oil Conservation Division (“OCD”) hereby amends that Order as follows:

**FINDINGS**

1. The Order requires John H. Hendrix Corp. (“Operator”) to return to compliance with OCD Rule 201 at least 4 of the wells identified in Exhibit A by September 20, 2006, and file a compliance report by that date.

2. The Order further provides that if Operator returns to compliance with OCD Rule 201 at least 4 of the wells identified in Exhibit A by September 20, 2006, and files a timely compliance report, the OCD shall issue an amendment extending the terms of the Order for an additional six-month period, requiring Operator to return to compliance at least 4 additional wells identified on Exhibit A and file a timely compliance report. The Order provides that the OCD shall continue to issue 6-month amendments if the Operator continues to return at least 4 additional wells to compliance in each period, so long as the total length of the Order and any amendments does not exceed two years.

3. Operator filed a timely compliance report, and the OCD has verified that OCD records indicate that Operator returned the following wells identified in Exhibit A to compliance by September 20, 2006:

1. Britt B-18 #001	30-025-06152
2. Britt B 18 #002	30-025-06153
3. Grizzell #002	30-025-10071
4. Ida A White #002	30-025-04418
5. Joyce Pruitt #004	30-025-34074
6. La Munyon Federal #002	30-025-10868
7. Linda Federal #003	30-025-25759
8. Stevens B #010	30-025-09331
9. Stevens B #011	30-025-10661

### CONCLUSIONS

1. Operator has returned 10 wells to compliance, exceeding its goal of returning 4 of the wells identified in Exhibit A to compliance by September 20, 2006 and exceeding by 2 wells its goal of returning 4 wells to compliance in a second six-month period.

2. The OCD should amend the Order to extend its terms through September 20, 2007 and require Operator to return to compliance by that date 2 additional wells from Exhibit A not identified in Findings Paragraph 3, above, to complete its goal of returning 4 wells to compliance in that period..

### ORDER

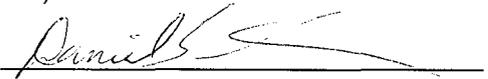
1. Operator shall return to compliance by September 20, 2007 2 additional wells from Exhibit A not identified in Findings Paragraph 3, above.

2. Operator shall file a compliance report by September 20, 2007 using the Oil Conservation Division's web-based on-line application.

3. The terms of ACOI 120 otherwise remain in effect and are extended through September 20, 2007.

Done at Santa Fe, New Mexico this 18<sup>th</sup> day of September, 2006

By: \_\_\_\_\_

  
Mark Fesmire, P.E.  
Director, Oil Conservation Division